



Burning Economic Issues



- IMF cuts global growth to 3.2% in 2019
- Fund raises Nigeria's growth forecast to 2.3% in 2019
- Facebook's Libra under scrutiny from US regulators
- Brent up by 1.16% to \$63.91pb
- Naira flat at N360/\$ at parallel market



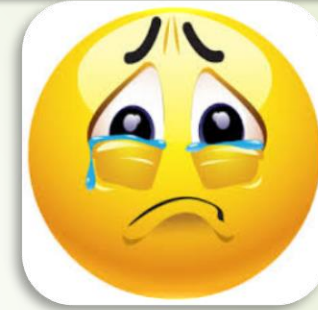
Impact

The Goodies



- On-grid power up 3.8% to 3,890MWhr/h
- Retail price of diesel drops to N222/ltr

The Downers



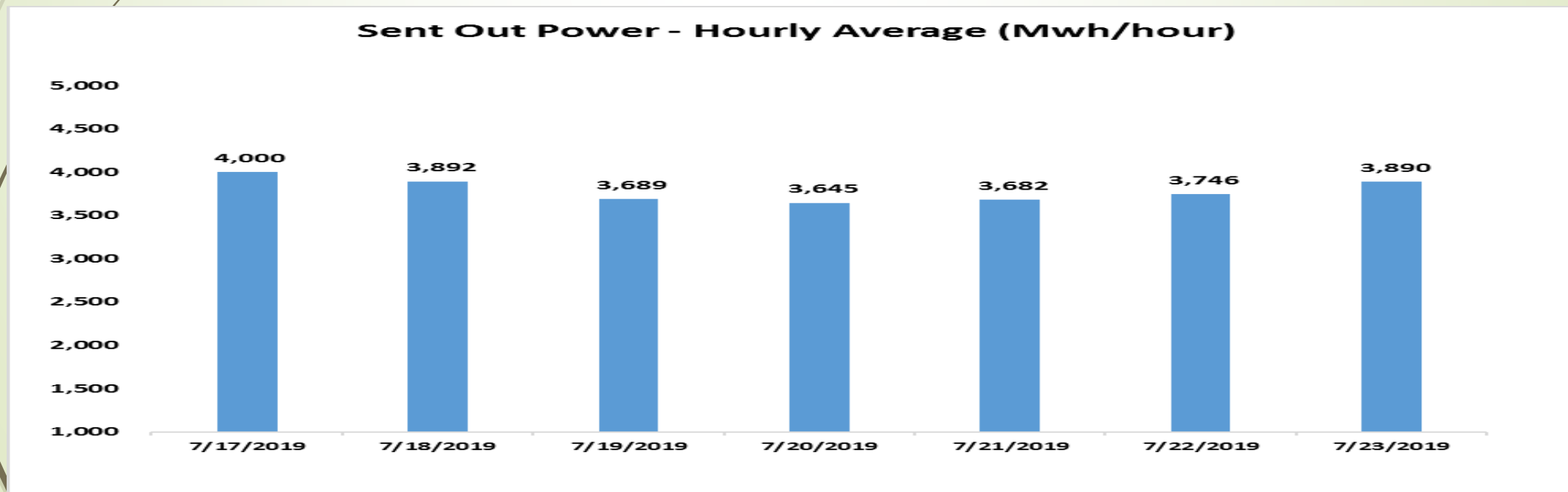
- Downside risks to global growth outlook have intensified

Power Sector

July 23rd





- Average power output: 3,890 MW/h (up by 143MW/h)
- Affected stations: Afan (120MWh/hr[↑]), Delta (214.5MWh/hour[↑])
- Gas constraints stood at 1,862MWh/h, Grid constraint was 1,604MWh/h
- Naira equivalent of power loss: N1.66billion (annualized at N605.90billion)

| State | Temperature(noon-time) |
|-------|------------------------|
| Abuja | 27°C |
| Kano | 32°C |
| Lagos | 28°C |
















Domestic Commodities Price Movement

Relatively Elastic Products

| Commodities | | Current Prices | Previous Month Prices | Directional Change | 1-Year Low | 1-Year High |
|-----------------------|--|----------------|-----------------------|--------------------|------------|-------------|
| Palm Oil (25l) |  | N9, 000 | N9,000 | ↔ | N6,000 | N25,000 |
| Semovita (10kg) |  | N3,000 | N3,000 | ↔ | N1,800 | N3,500 |
| Old Yam (medium size) |  | N1,300 | N1,200 | ↑ | N400 | N1,900 |
| Sugar (50kg) |  | N14,900 | N14,900 | ↔ | N8,000 | N20,000 |

Domestic Commodities Price Movement

Relatively Inelastic Products

| Commodities | Current Prices | Previous Month Prices | Directional Change | 1-Year Low | 1-Year High |
|--|----------------|-----------------------|---|------------|-------------|
| Garri (50kg) Yellow  | N6,250 | N6,500 |  | N6,150 | N16,000 |
| Rice (50kg)  | N16,000 | N15,000 |  | N13,000 | N22,000 |
| Flour (50kg)  | N11,500 | N11,000 |  | N8,500 | N11,500 |
| Beans (Oloyin)(50kg)  | N17,000 | N19,000 |  | N12,000 | N34,000 |
| Cement (50kg)  | N2,550 | N2,550 |  | N1,400 | N2,700 |
| Tomatoes (50kg)  | N20,000 | N18,000 |  | N6,000 | N20,000 |
| Pepper (bag)  | N8,500 | N8,000 |  | N5,000 | N15,000 |

- Most commodity prices increased due to impact of planting season

WIN BIG!

IN THE
DANGOTE

BAG OF GOODIES

CONSUMER PROMO



43
GAC SALOON CARS
TO BE WON

OVER
21 Million
POSSIBLE
WINNERS

42.5R
CASH PRIZE PER YEAR
SCRATCH CARD 50 = 1kg

OVER
₱200M
CASH PRIZE

OVER
300,000
FOODIE PACKS

550
REFRIGERATORS

24
MOTOR BIKES

24
TRICYCLES

400
TELEVISIONS

HOW TO WIN

- Buy any promotional bag of Dangote cement.
- Pick out the scratch card inserted.
- Scratch and stand a chance of winning any of the following items that is revealed on the card
- Saloon Car (star prize), Motorcycles, Tricycles, TV Sets, Fridge, Dangote pack of goodies and Airtime (across all mobile networks)
- Redemption of the gift items will be at our Depots, Regional Offices and specially selected Customer Outlets in areas that are distant from our depot and offices.

Promo runs from July 1st - Sept 30th, 2019



*TERMS AND CONDITIONS APPLY
*ALL DANGOTE STAFF, FAMILIES, THIRD PARTY AGENTS AND THEIR STAFF ARE EXEMPTED FROM THIS PROMO
Customer Care Helpline: 01-460643, 08152093122, 08152093152, 08152093153 and 08152093133
email: customercare@dangote.com | www.dangote.com

www.dangote.com [f](https://www.facebook.com/dangotegroup) [i](https://www.instagram.com/dangotegroup) [in](https://www.linkedin.com/company/dangotegroup) @dangotegroup



build with peace of mind

Approved by National Utilities Regulatory Commission (NURC) Approved by the Consumer Protection Council



Consumer Goods – Current price

| Goods | Street price | Supermarket price | % difference |
|----------------------|--------------|-------------------|--------------|
| Pepsi (50cl) | N100 | N100 | 0% |
| Heineken beer (60cl) | N300 | N330 | -10.00% |
| Bread Loaf | N350 | N400 | -12.5% |
| Indomie (1 carton) | N2,000 | N2,300 | -15.0% |
| Gala (big size) | N100 | N100 | 0% |

Commodity in Focus - Garlic

- Total global production (2017): 28.16mn tonnes (\$18.59bn)



- Mostly produced in Asia

- Price of garlic has increased by 5.5% to \$2.5/kg since 2016

- Global demand estimated to grow by 4.7% over 2019-2024

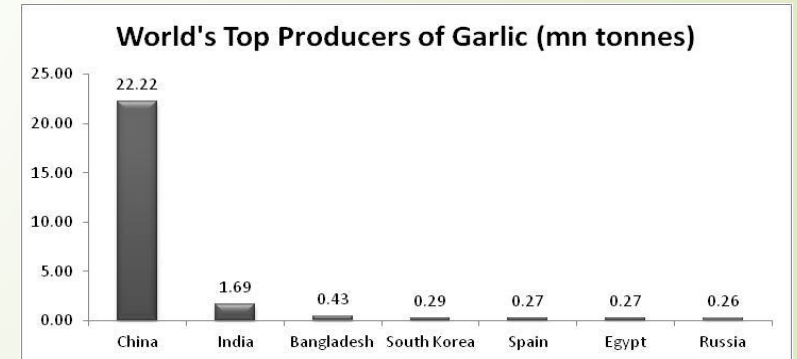


- Driven by increasing demand from mostly European countries

- World's top producers: China, India, Bangladesh

- World's top consumers: China, India, Indonesia

- Uses: seasoning, traditional medicine, industrial uses



Source: FAOSTAT, FDC Think Tank

Garlic Production in Nigeria

- Nigeria's annual garlic production: approx. 150,000 tonnes (\$660,000)

- Garlic is widely consumed in Nigeria

- Rich in minerals and vitamins (B6 & B1)

- Regular consumption is believed to reduce risk of cancer

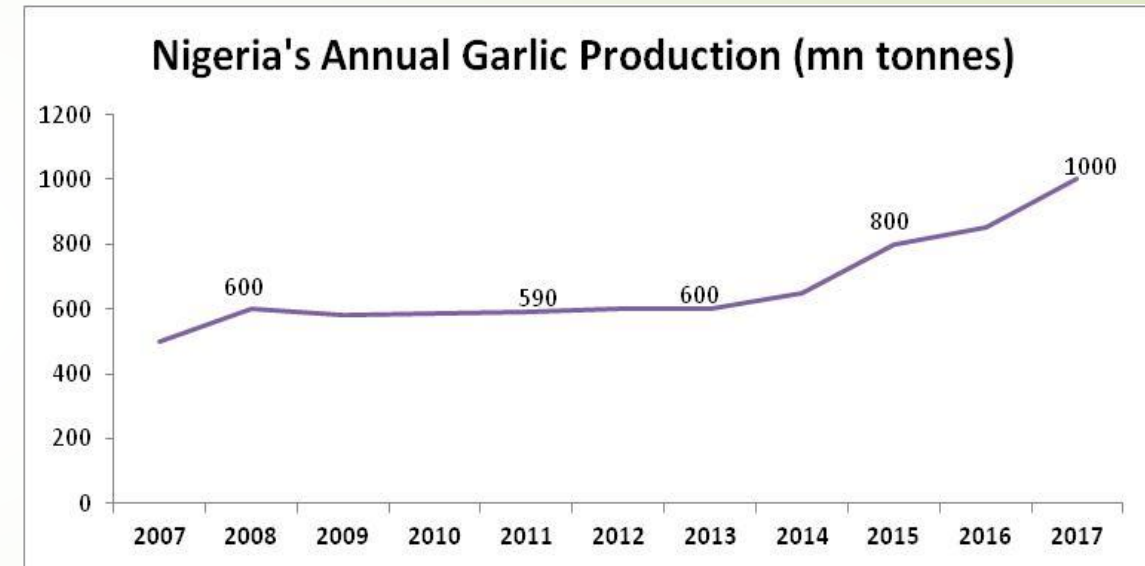
- Nigeria's production is negligible in the global market

- There is capacity to significantly expand production

- Mainly cultivated in the North- insecurity prone region



- Major producing states: Sokoto, Kano, Borno















- Major users: Households Corporates (Nestlé Plc)



Source: FAOSTAT, FDC Think Tank

Stock Market

- NSE ASI  0.35% to 27,990.61pts on July 25th
- Consumer goods sub index:  0.16% at 581.27pts

| | Share Prices (₦) | Daily % Change (July 24 th –25 th) | YTD (% Change) |
|------------------|------------------------|--|---|
| Nestle | 1,279.90 |  - |  12.57 |
| Honeywell | 0.99 |  - |  20.88 |
| Flour Mills | 14.80 |  6.07 |  22.15 |
| Cadbury | 11.40 |  - |  23.20 |
| Dangote Sugar | 10.60 |  - |  35.13 |
| Unilever | 32.00 |  - |  10.81 |
| Ikeja Hotels | 1.34 |  - |  10.96 |

Oil Markets Today

| COMMODITY | DAILY CHANGE July 24 th – 25 th | YTD | CURRENT PRICE |
|-------------|--|----------|---------------|
| BRENT | ↑ 1.16% | ↑ 23.77% | \$63.91pb |
| WTI | ↑ 1.23% | ↑ 31.16% | \$57.90pb |
| NATURAL GAS | ↓ 0.35% | ↓ 18.70% | \$2.29MBtu |



4 Years
45 Warehouses
13 States



100,000 Farmers
40,000 Youth & Women



100,000 MT
Grains & Seeds



\$30M Traded
\$5M Input Loans

...building an alternative asset class.



AFEX
AFEX COMMODITIES EXCHANGE LTD

Oil Prices

- Brent up by 1.16% to \$63.91pb
- Driven by:
 - Drawdown in US crude inventories
 - Supply disruptions in Libya
 - Geopolitical tensions in the Middle East
 - Signs of easing trade hostilities
 - after China and the US agreed to resume trade talks



Agricultural Commodities

Wheat



- Wheat price down 1.1% to \$528.25/bushel
- On expectations of robust US supply in the 2019/2020 season

Corn



- Corn prices rose by 0.93% to \$453.40/bushel
- On the back of adverse weather conditions in US Midwestern states

Cocoa



- Cocoa prices rose by 1.11% to \$2,467/MT
- Supported by strong global demand

Sugar



- Sugar prices inched down by 0.65% to \$12.30/pound
- Driven by weak global demand

OUTLOOK – Oil Prices



- Brent likely to trade between \$63pb-\$65pb this week
- Heightened tension in the Strait of Hormuz is expected to continue to provide support to the market
- However, rising US shale output and concerns about weak global demand could moderate gains

OUTLOOK – Agricultural Prices

GRAINS

- Prospects of strong US production to push down prices in the coming weeks

SOFTS

Sugar

- Weak global demand expected to keep prices depressed

Cocoa

- Strong cocoa grinding in Europe and North America to bolster prices this week